

## **B. Applicant Information**

1. Project Title: City of San Antonio Neighborhood Commercial Revitalization Petroleum Site Assessment Program
2. Grant Type: Assessment (Community-Wide)  
Contaminant: Petroleum
3. Amount Requested: \$200,000 Petroleum Funding
4. Name of Applicant: City of San Antonio
5. Project Contact: David D. Garza, Director  
Neighborhood Action Department  
City of San Antonio  
1400 South Flores  
San Antonio, Texas 78204  
[davidgarza@sanantonio.gov](mailto:davidgarza@sanantonio.gov)  
Phone: (210) 207-5850  
Fax: (210) 207-7914
6. Chief Executive: Terry Brechtel  
City Manager  
City of San Antonio  
P.O. Box 839966  
San Antonio, Texas 78283-3966  
Phone: (210) 207-7080  
Fax: (210) 207-4217
7. Location: City of San Antonio  
Neighborhood Commercial Revitalization (NCR) Program Target Areas
8. Population: Population of the City of San Antonio – 1,144,646 (Based on 2000 Census.)  
Population of NCR Target Areas – 47,381 (Based on affected 2000 Census Block Groups. See Attachment A for the NCR Population by Target Area.)
9. Special Considerations: The City of San Antonio has federally designated Enterprise Community and Empowerment Zone areas. (See Attachment B for the EZ/EC designated areas in relation to the NCR Program Target Areas.)

## **Assessment Grant Criteria**

### **Threshold Criteria**

#### **A. Applicant Eligibility**

1. Describe how you are an eligible entity for the grant for which you are applying.

The City of San Antonio is a General Purpose Unit of Local Government as defined by 40 CFR Part 31, and as such is eligible to apply for and receive the requested grant.

#### **B. Community Notification**

1. Describe how the targeted community(ies) was/were notified of the preparation and submission of this grant proposal and provided opportunity for public comment prior to submitting this proposal.

The City of San Antonio recognizes the importance of public input and early community support of the proposed grant as it involves an investment of public dollars. To this end, community stakeholders were informed of this application and invited to provide comments on the draft proposal. A Public Notice was placed in the San Antonio Express-News, a general circulation newspaper, on November 6, 2003. (See Attachment C for a copy of the notice.) The notice referred stakeholders to a website on which the draft proposal was available, gave telephone contact information for those people needing to obtain a hard copy of the draft proposal and invited attendance and comment at a community meeting. Also, a press release was issued, which gave basic information about the grant purpose, the proposal to be submitted to the EPA and the public meeting. The press release resulted in the publication of a small notice in the San Antonio Business Journal on November 14, 2003.

In addition to the published notice, invitations to the public meeting were mailed to over 1,000 property owners, businesses and residents in the targeted areas. (See Attachment C for a copy of the invitation.) The community meeting was held on Monday, November 17, 2003. Information about the grant was provided and discussed. (See Attachment D for a copy of the PowerPoint presentation used at the meeting.)

The draft proposal was initially posted in electronic form on the Neighborhood Action Department's (NAD) website on November 5, 2003. Comments were accepted by e-mail, telephone, and correspondence from November 6 through November 28, 2003. All comments received were reviewed and incorporated into the final proposal document. The posted document was updated on November 19 and 25 to reflect revisions and refinements. If the grant is awarded, the final proposal document, posted to the NAD site on December 4, will be transferred to our existing WebBRIMS site as a reference for community members wishing to monitor the grant and ensure implementation is in accordance with the proposal.

Key partners in the proposal submission included the six community-based organizations which participate in the City's Neighborhood Commercial Revitalization (NCR) Program. The staffs of

the organizations meet monthly to discuss issues and concerns. The grant proposal was included on the agenda and discussed at the October and November meetings. The staffs assisted in the preparation and review of the proposal. In addition, each organization undertook windshield surveys and submitted a preliminary inventory of potential sites for Brownfields petroleum site assessments within the eight NCR target areas.

In addition to the above community outreach, the City also contacted the State intergovernmental review office to initiate compliance with Executive Order 12372. A State Application Identifier Number was obtained. (See Attachment E for a copy of the November 18, 2003 review letter from the Governor's Office and the draft Standard Form 424.)

**C. Letter from the State or Tribal Environmental Authority**

1. For an applicant other than a state or tribal environmental authority, provide a current letter from the appropriate state or tribal environmental authority acknowledging that the applicant plans to conduct assessment activities and is planning to apply for federal grant funds.

See Attachment F for November 12, 2003 letter from the Texas Commission on Environmental Quality.

**D. Site Eligibility and Property Ownership Eligibility**

1. If you do not have specific sites identified, please move on to the ranking criteria in the next section.

Section D - The Site Eligibility and Property Ownership is not applicable to this application. (This application is for community-wide assessments within NCR target areas. However any ineligible sites, such as property receiving assistance for response activities from the Leaking Underground Storage Tank (LUST) trust fund, which may be within a target areas will not receive assessment assistance should this grant be awarded.)

## Assessment Grant Criteria

### Ranking Criteria

#### A. Assessment Grant Proposal Budget

1. Provide the proposed budget(s) for your proposal, including a detailed description of each task..

	Project Tasks				
Budget Categories	Task 1 - Phase I/II Assessments	Task 2 - Cleanup Planning	Task 3 - Community Outreach	Task 4 - EPA QA Training	Total
Personnel	0	0	0	0	0
Fringe Benefits	0	0	0	0	0
Travel	0	0	0	3,000 [F]	\$3,000
Equipment	0	0	0	0	0
Supplies	0	0	2,000 [E]	0	\$2,000
Contractual	120,000 [A, C, D]	75,000 [B, C, D]	0	0	\$185,000
Other	0	0	0	0	0
<b>Total</b>	<b>\$120,000</b>	<b>\$75,000</b>	<b>\$2,000</b>	<b>\$3,000</b>	<b>\$200,000</b>
<b>% of Total</b>	<b>60%</b>	<b>37.5%</b>	<b>1%</b>	<b>1.5%</b>	<b>100%</b>

[A] Provides for 6 Phase I/II Environmental Site Assessments (ESAs) of underground storage tanks systems (tanks, subsurface piping, vaults, dispensers) at \$20,000 each to include 3-5 borings (to allow water flow to be triangulated, if necessary), 2 soil samples each, and monitoring wells, if water is encountered, to assess risk levels quarterly for 1 year. Also, these funds will provide for testing of dry wells, floor drains, pits, sumps, hydraulic lifts, hazardous material/waste storage areas and spills/overfills typically associated with gasoline/filling/service stations, as appropriate for specific projects.

[B] Provides for 6 Clean-up Plans with a projected cost of \$12,500 each to be prepared, as appropriate, in conjunction with the ESAs completed with the grant funds.

[C] Estimates, based on extensive prior experience with similar projects, were developed in consultation with Texas Commission on Environmental Quality and/or City of San Antonio Environmental Services Department staff.

[D] All procurements for Contractual Expenses will be conducted in conformance with 40 CFR 31.36.

[E] Provides funds to cover the costs of printing/mailing community notices, publishing public notices in newspapers of general circulation, holding meetings to brief the community regarding the outcomes of assessments completed with the grant, providing translators (English/Spanish) at community meetings, reproducing copies of completed assessments to be placed in neighborhood branches of the public library nearest to the assessed sites. The estimate is based on costs incurred in the pre-application community outreach process undertaken for this grant, the size of the NCR target area mailing lists, and prior experience with similar costs on similar projects, including the existing City of San Antonio Brownfields Site Assessment Demonstration Pilot Grant.

[F] Provides funds to cover the cost of EPA Quality Assurance and other Brownfields training. Assumes 3 in-state training requirements over the two-year grant period at \$750 each and 2 out-of-state training requirements over the two-year grant period at \$1,125 each. Estimates are based on prior experience with similar expenditures on the existing assessment grant and other similar training/travel.

## **B. Community Need**

### **1. Provide a detailed description of the target community that the project(s) will benefit.**

Projects to be undertaken with the proposed grant will take place within eight targeted inner-city business districts. Among the 15 census tracts served by these target areas, median family income is \$29,906, which is 69% of the median family income for the San Antonio MSA (\$43,100). At the Census block level, 57 block groups are served within the target areas. These blocks have a total population of 47,381 potential consumers and employees that travel greater distances to shop or work as a result of economic decline. (Source: 2000 Census.)

Of the eight target areas, five are either within the Empowerment Zone or are designated EZ developable sites. All census tracts in the designated Empowerment Zone have high poverty rates ranging from 35 to 82 percent. The median household income of residents is \$10,273. The unemployment rate is 17 percent. The area also includes many substandard homes and a high number of abandoned properties. (Source: [www.empowersanantonio.com](http://www.empowersanantonio.com))

San Antonio has the 25<sup>th</sup> highest poverty rate of 273 cities nationwide, with 17.3% of our residents living in poverty. The child poverty rate is 24.3%. (Source: 2000 Census.) In 2002, 6.5% of births in San Antonio were to mothers under 18 years of age, 38.5% were to single mothers, 8.2% were low birth weight babies, and 11.9% receive no prenatal care during the first trimester. (Source: SA Metro Health.)

### **2. Explain how the targeted community will benefit from this grant.**

The grant will provide additional tools and resources for inner-city revitalization. Abandoned gas stations typically occupy prime real estate at key intersections within the grant target areas. These sites have tremendous redevelopment potential despite being abandoned and underutilized due to the suspicion of environmental contamination, clean-up costs, potential liability and the fear of unknown. In addition to having prime locations, the facilities are often historically

valuable and/or have unique architectural features that make them attractive redevelopment sites. The elimination of suspicion and fear through environmental site assessment and clean-up plan assistance will encourage adaptive reuse that contributes to revitalization. Through the City's experience with its current Brownfields pilot grant, the need for this type of assistance has become very clear. Demand is high and potential sites for petroleum assessments are numerous. The City has had many requests for assistance that could not be addressed due to the limitations of the current grant.

San Antonio's largest economic sectors have been military and tourism. Historically, manufacturing and industrial activities have played a smaller role in the City's economy. Lacking an abundance of industrial centers, sites eligible for assistance under the existing Brownfields grant have been difficult to locate and property owners have been reluctant to participate. This is not, however, the case with petroleum sites.

3. Characterize the impact of brownfields on your community (or communities) by describing the extent of brownfields (e.g., size, number, location) and the economic, health, and/or environmental impacts of the brownfields.

A preliminary inventory was conducted as part of this application. Within the eight target areas currently part of the NCR Program, 57 sites were listed on the Texas Commission on Environmental Quality's (TCEQ) Petroleum Storage Tank (PST) database website. An additional 41 sites are believed to be former gasoline stations. (See Attachment F for Preliminary Gas Station Inventory.)

Vacant properties in grant target areas deter the efforts of the NCR Program to revitalize the corridor as a whole. Releases at petroleum storage tank sites can expose the community to potentially toxic levels of petroleum hydrocarbon substances such as gasoline, diesel fuel, or waste oil. Due to the greater volatility and mobility of gasoline when released into the environment, gasoline releases are usually more of a health concern than are releases of these other substances. Fortunately, very few known leaking PSTs exist in NCR areas. However, older tanks have potential to leak and adversely affect the public water supply system.

### **C. Site Selection Process**

1. Describe how sites were selected/will be selected and what site selection criteria were/will be developed.

Upon notification of receiving the grant, if awarded, the City will begin refinement of the Preliminary Gas Station Inventory. Based on available information, property owners will be notified of funding availability through letters that introduce the Brownfields Petroleum Assessment Program and invite them to meetings to learn more about the grant and discuss potential projects. Our community partners, the non-profit organizations that spearhead the revitalization efforts in the target areas, will co-host these meetings. In addition, the non-profits staff members, who regularly visit businesses and property owners in the NCR areas, will be doing direct outreach through these visits.

Working with the non-profit staff and boards, sites will be selected for assessment from within the NCR Program Target Areas boundaries on a first come, first eligible, first served basis. Criteria will include the potential reuse of the site, potential new business and employment opportunities, availability of capital to complete proposed reuse plans, potential use of the NCR's Operation Facelift Program (a façade improvement grant) to augment reuse project funding, owner participation in the community outreach efforts and conformance with each target area's Design Guidelines and other Neighborhood and City plans.

2. Describe possible or previous inventory activities, prioritization efforts, or other activities.

In conjunction with the preparation of this proposal, a preliminary inventory of potential petroleum sites was developed through windshield surveys, database searches, and review of existing documentation. Our non-profit partners conducted the windshield surveys. They identified properties based on their considerable knowledge of the current and past land uses in the areas, contacts with properties owners/residents, and visual inspections. The Texas Commission on Environmental Quality Petroleum Storage Tank and Leaking Petroleum Storage Tank databases were researched. There are approved neighborhood plans for some of the NCR target areas that resulted from extensive community input through the Planning Department's Community Building and Neighborhood Planning Program. These plans, which document the history of the neighborhoods, identify concerns and propose goals and strategies to realize a new vision for the area, were reviewed for references to concerns about petroleum locations. In addition, Planning Department staff assisted with the inventory development by reviewing Sanborn maps to determine potential sites. All information gathered has been included on the preliminary inventory that will be refined and supplemented as a part of the grant activities, if awarded.

3. If you anticipate conducting assessment activities on privately owned sites, discuss possible access issues and how you would resolve the issues.

All sites to be investigated will likely be privately owned. For each project, the property owner will be required to enter into a Brownfields Project participation agreement with the City. Title searches are conducted in conjunction with the preparation of these agreements to assure property ownership and verify locations for which access is to be provided. The City is already utilizing this type of agreement for the existing Brownfields grant. The agreement provides the City and its environmental consultants with a right of access to the property. In addition, the property owner agrees to the property being included in the City's Brownfields inventory and to assist the City with promotion of the Brownfields Program and community outreach regarding outcomes of the site assessments. In addition, through the participation agreement, the City obtains an indemnification from the property owner.

**D. Sustainable Reuse of Brownfields/Development Potential**

1. Describe your "sustainable development" strategy for the site(s) or targeted area(s) (i.e., how your plans for reuse of the site(s) or targeted area(s) will simultaneously enhance your community's social, economic, and environmental well being).

Since the mid-1990's, inner-city sustainable revitalization has been and continues to be a top priority for successive City Councils. This grant, if awarded, will provide another tool and build on the City's continuing implementation of policies and recommendations in the City's Master Plan, Unified Development Code, and the Community Revitalization Action Group Report. The target areas include, by definition, traditional neighborhood business districts which have fallen victim to residential urban flight. Businesses, including gasoline service stations, have followed consumers to the suburbs leaving many structures vacant and deteriorating. These trends resulted in fewer economic or employment opportunities for inner city residents, a lack of easily accessible goods and services, and business districts that become targets for crime, graffiti and vandalism. When neighborhoods decline, everyone is affected through increased political conflict, social tension, crime, and higher taxes. Reversing this process of decline requires reinvestment and recommitment on the part of the community as a whole.

As referenced in the cover letter, the NCR Program is based on a four-point approach to address revitalization holistically and ensure that long-term sustainability of the efforts. Specifically each non-profit organization organizes a Design and Planning Committee to create a vision for an appropriate, attractive, and coordinated commercial corridor. This key committee works to encourage all design improvement activity with regard to building maintenance, rehabilitation and construction. It develops and adopts design guidelines for voluntary compliance within the business district and can provide design assistance to property owners. In establishing Design Guidelines, the Design and Planning Committee addresses area history, concerns, and standards for improvement.

The assessment of various sites and their resulting redevelopment in conjunction with the area's design guidelines will signal to the potential investor or resident that the NCR area has become viable again and that something positive is happening. A key element of a revitalization effort is the return of business activity to the commercial corridor. Commercial properties within NCR target areas can currently apply for assistance with façade improvements through the NCR Program's Operation Facelift grant. Up to \$15,000 in matching funds can be awarded. Based on performance of the facade program to date, each public dollar invested has leveraged private investment of \$6.38. If the petroleum assessment grant is awarded, property owners who have been reluctant to re-use or sell their old gas station properties can receive needed assessments and remove hindrances to the improvement, lease, and/or sale and re-use of their sites.

2. Describe your specific plans to ensure that, after cleanup, the site(s) or targeted area(s) will be reused in a manner that leads to environmental improvement through reductions in pollution and resource consumption.

The potential re-use plan is one of the selection criteria for projects to be assisted with the proposed grant. Re-use plans that include smart growth, green building concepts, and other environmentally responsible components will be given higher priority. The proposed grant will be targeted for the development of inner-city infill sites. Development of these sites naturally enhance the walk ability of neighborhoods by eliminating gaps in the urban fabric. When neighborhoods are more walk able, residents' reliance on their cars and consumption of



petroleum based fuel products is reduced. Residents who can fill their consumer needs locally are less dependent on the automobile. As a result, there will also be a benefit to air quality.

3. Describe how this project(s) will stimulate economic development while responding to community needs, including the creation of jobs, capital investment, and increases to the local tax base.

The Brownfield Site assessment grant will provide funding necessary for site assessments and clean up plans to a minimum of six (6) abandoned or underutilized gas stations. The potential adaptive reuse of these properties will: 1) enhance the overall appearance and economic viability of the commercial corridors, 2) provide options for retail/office/service space on previously utilized sites, thus creating jobs within the inner-city and 3) increase the tax base of the area.

The site assessments, in conjunction with the technical and financial support provided through the NCR Program and the façade improvement grant, will work to reverse the economic decline in the target areas. The leveraging of public funding to assess and remove potential hazards to nearby residents will increase the likelihood that businesses will maintain their proximity to its neighborhood client base.

4. Explain how your community is working to prevent the creation of future brownfields.

The City of San Antonio has attempted to prevent the creation of future brownfields by various means, such as offering certain incentives to developers considering developments in target areas; zoning restrictions; property acquisition of sensitive land; and enforcement. The City's proposed "Incentive Toolkit" will offer fee waivers/reductions along with a variety of incentives based on specific criteria designed to promote development that meets City Council priorities and goals. Specific priorities and goals, though not limited to, are: infill development, restoration of historic properties, development that utilize UDC use patterns, green building standards, quantity of jobs created as a result of development, public enhancements and mass transit accessibility. Through special sales tax the City is spending \$65 million to acquire 6,025 acres of sensitive land in areas that are experiencing heavy development. The primary purpose of the acquisition is to protect aquifer recharge features, water quality and quantity, improve floodways and preserve natural areas and riparian systems along the Salado and Leon Creek ways. The creek ways will become greenbelts, flood control ways and hike/bike trails. Additionally, the City anticipates that the acquisition of these lands may spur balanced growth to the south and in the targeted infill areas. The City created a Code Compliance Department to enforce anti-pollution laws and local ordinances. Through typical policing strategies, such as surveillance and investigations, this department prosecutes violators of these types of rules. The enforcement of anti-pollution rules acts as a deterrent to would-be violators.

5. How does your proposed reuse(s) and your ongoing efforts to prevent the creation of future brownfields fit into your community's master plan, economic development plan/activities, other relevant plans/activities, and your ongoing efforts to redevelop brownfields?

The City of San Antonio created a Master Plan that provides the basis for decision making and is used in concert with the City's Unified Development Code. The policies provide guidance in the

evaluation of future decisions on land use, infrastructure improvements, transportation, and other issues, including environmental. Managed growth and preservation of natural resources are Master Plan priorities. The Master Plan includes several priorities intended to redevelop brownfield target areas and minimize future brownfields, including: Policy 1(g): “Continue to make physical improvements in the inner city to encourage redevelopment and infill development” and Policy 2(c) which states, “Improve the environmental review functions to assist all new development projects and redevelopment initiatives to meet federal, state, and local environmental standards and permit requirements”.

#### **E. Creation and/or Preservation of Greenspace/Open Space or Other Nonprofit Purpose**

1. Describe the extent to which the grant would facilitate the creation of, preservation of, or addition to a park, greenway, undeveloped property, recreational property, or other property used for nonprofit purposes.

Based on the commercial nature of the target areas proposed for this grant, the intent of the San Antonio Brownfields Petroleum Assessment Program will be to redevelop Brownfields into viable commercial properties. Although, some developments may include open space as part of a drainage feature, buffer zone, or other asset, preservation of open space and recreational use is not considered a primary goal of this project. Incentives have been retooled to emphasize infill, green building, and smart growth concepts. For example, the City’s permitting standards require certain drainage improvements. Typically a fee is assessed based on the size of the project and amount of impervious cover constructed. The fees collected are then used to engineer and construct regional storm water detention facilities that serve to control flooding and are also used as recreation and open space areas.

The City is implementing other plans to improve the quality of life for its citizens by encouraging sprawl reduction, resource conservation and encouraging infill development. In addition to land acquisition, the City has begun enhancing the historic Mission Trail. This nine-mile path connects the five Spanish missions (including the Alamo) located in San Antonio’s core and to the south, which come into contact with two NCR target areas. This project seeks to promote a shaded, walkable, bikeable connection along this 18<sup>th</sup> century trail.

#### **F. Reuse of Existing Infrastructure**

1. Describe whether the project will use existing infrastructure (e.g., existing roads, rail/bus/subway services, buildings, utility services, sidewalks/pedestrian trails, recreational services, landscaping, neighborhood centers/institutions) or require its expansion.

Projects completed with the petroleum assistance grant will use existing infrastructure. All targeted areas are inner-city locations with adequate infrastructure. Through 1999 and 2003 bond elections, critical public infrastructure needs and enhancements have been made a priority.

#### **G. Community Involvement**

1. Discuss your plan for involving the local community (e.g., neighborhood organizations, citizens' groups, borrowers, redevelopers, and other stakeholders) in cleanup decisions or reuse planning.

Public comment will be solicited upon completion of each assessment. Comments will be solicited through notices in English and Spanish. Additionally, stakeholders will be notified and asked to comment on cleanup/reuse through district targeted mail outs, the NCR newsletter, the NCR website, WEBRIMS website and press releases.

2. Describe your efforts and/or plans to develop partnerships at the local, state, and/or tribal level with other stakeholders to ensure appropriate and sustainable cleanup and redevelopment of brownfields.

Provided the City's current site assessment grant, relationships currently exist with TCEQ, community partners within the NCR program, and key City departments (Economic Development, Environmental Services, Fire, City Attorney's Office, Management and Budget, Parks & Recreation, Planning and the Public Works Department). These established partnerships will allow for greater efficiency in start-up activities related to the requested petroleum assessment grant.

3. Describe the specific means by which you will communicate the progress of your project to citizens, including plans for communicating in languages indigenous to the community.

Community stakeholders will be notified in several ways of prospective projects. If appropriate, progress reports will be sent out prior to completion of assessments. Upon completion of each assessment, public comment will be received. Notices will be in English and Spanish and translators will be available at all community meetings held. Site assessment results will be discussed in NCR Program newsletters. Press releases will be sent out. Copies of completed assessments will be placed in the nearest branch of the public library system.

4. Provide a list of the community-based organizations involved and a contact person, phone number, and a brief description of the organization's activities and representation.

The NCR Program works with six community based organization in revitalization efforts. These six agencies oversee a total of eight (8) targeted districts that are the focus of the petroleum assessment grant (see Attachment H).

## **H. Reduction of Threats to Human Health and the Environment**

1. Describe how the funds will be used to address/facilitate the identification and/or reduction of threats to human health and the environment within the target area that may be associated with exposure to hazardous substances, pollutants, contaminants, or petroleum.

The City created an Environmental Services Department in an effort to centralize all environmental efforts undertaken by the City. Property acquisitions and construction projects are scrutinized by this department prior to the proposed activity. This includes an Environmental

Assessment and remediation, as necessary, to facilitate the proposed project. Additionally, this department reviews the applications by developers requesting any of the incentives offered by the City of San Antonio. Specific to this grant, all of the projects approved will include a Phase I Environmental Site Assessment at a minimum. This Department will contract with an approved consultant to prepare a Quality Assurance Project Plan, as necessary, to conduct the work. Any remediation efforts conducted as part of this work will result in the identification and reduction of contaminants following the rules and procedures established by the state's Texas Commission on Environmental Quality.

2. Describe how you are working with your state or tribal environmental authority and/or local public health department to ensure that public health issues are considered during the redevelopment process.

The state regulatory agency, the Texas Commission on Environmental Quality, regulates most of the various environmental issues within the state. The City's permitting office ensures that work to be performed complies with their rules, as well as the rules of the Texas Department of Health, who regulate asbestos and demolition permits. If the City's permitting office encounters a unique situation, it will coordinate with the City's Environmental Services Department or the local health department for approval. Work is inspected by the City and in the event that contaminants are encountered and/or remediation of contamination performed, the City will also contact the Texas Commission on Environmental Quality, per the state's rules.

## **I. Leveraging of Additional Resources**

1. Describe the financial needs for each phase of the project, if known.

Based on discussion with Texas Commission on Environmental Quality and City of San Antonio Environmental Services Department staff, an estimated average cost of \$20,000 per assessment has been projected for the preparation of this proposal. Clean-up plans are estimated to cost \$12,500 each. Up to \$15,000 will be available to qualifying projects through Operation Facelift for development of façade improvements in conjunction with building rehabilitation projects that restore business activity to abandoned or underutilized gas stations. These grant funds will provide an incentive for potential redevelopment of six (6) contaminated sites.

2. Identify the funds that your agency/organization has committed or will commit to meet the needs described above.

Currently, the City has a six-year financial commitment of \$370,000 from the General Fund for three of the eight NCR target areas. This support is provided to our community partners to carry out the revitalization effort by funding an office and staff within each target area. The City recognizes the need for continued emphasis on inner-city revitalization and that time is required to reverse years of deterioration that led to the current condition of these areas. Also, the City is seeking to assure that its investment in the revitalization effort is sustainable by fostering the capacity of the non-profit revitalization agencies.

Operation Facelift currently has \$76,000 available from the General Fund to provide assistance to projects in the target areas.

In addition, the City has dedicated \$500,000 from the General Fund to establish a Revolving Loan Fund (RLF) for projects in the NCR target areas. Currently, the NCR Program is pending receipt of proposals from the both San Antonio Local Development Corporation and the Community Development Loan Fund on how the RLF can be established to ensure the funding is maximized. Proposals are expected soon and the RLF should be in place by Spring 2004. Eligible projects will include those assisted with the Brownfields Petroleum Site Assessment grant funds where financing is required for clean-up and/or redevelopment. The RLF funds will likely be leveraged from the selected administering agency. Potential leveraging sources include vehicles such as the Texas Capital Access Program that provides matching funds to establish loan loss reserves for RLF's run by qualifying Community Development Financial Institutions.

The General Fund also provides an annual operating budget for the NCR Program to cover the cost of the NCR Program staff and program administration. The FY 03-04 allocation is \$129,000. The two positions funded by General Fund provide in-kind support to the existing Brownfields Site Assessment Demonstration Pilot grant and will provide support to the petroleum grant, if awarded. In addition, two members of the Environmental Services Department staff, funded by the General Fund, provide quality assurance roles in supporting the existing and the proposed grant, if awarded. The City's existing Quality Management Plan designates the role of Quality Assurance Manager and Quality Assurance Project Officer to the Environmental Services Department staff and is an in-kind contribution.

3. Describe all other funding sources that will be committed or that you are pursuing to fill in any remaining funding gaps to ensure the success of this project.

CDBG funds are used to provide the current \$370,000 allocation to five of the eight NCR target area projects. Operation Facelift currently has \$243,000 available from CDBG sources to provide assistance to projects in the target areas. CDBG funds also support the cost of three members of the NCR program staff and program administration. The FY 03-04 allocation is \$147,294.

It is not possible to determine the amount of private investment that the proposed petroleum assessment grant will leverage. However, based on our experience with the NCR Program thus far, there has been private investment of over \$46 million. Nearly 1,300 jobs have been created by the 116 new businesses that have expanded or moved into the target areas. The NCR Operation Facelift Program is leveraging \$6.38 for every dollar of the public investment.

#### **J. Ability to Manage Grants**

1. Describe your ability to manage this grant and oversee the work, or describe the system(s) you have in place to acquire the requisite expertise.

The City's Neighborhood Action Department has developed staff expertise to manage the proposed grant through its administration of the existing site assessment grant. We have EPA

trained staff, designated Quality Assurance assistance from our inter-departmental partners, an existing Quality Management Plan and annual review process, familiarity with EPA reporting, reimbursement, MBE/WBE requirements, working relationships with EPA Region 6 staff, an established WebBRIMS site, templates for participation agreements with property owners on specific projects, and defined processes for projects from initiation to completion.

2. Describe your history of managing federal funds generally.

The City's Neighborhood Action Department has an excellent history of managing federal funds generally. We have not been the subject of adverse audit findings or required to comply with "high risk" terms and conditions.

3. If you are, or have been, a recipient of an EPA Brownfields cooperative agreement(s), provide information regarding your compliance with quarterly progress reports, brownfields reporting measures, and annual financial status reporting.

The City's Neighborhood Action Department has an existing cooperative agreement with the EPA. The EPA Assistance Number is BP986443-03. The grant has been extended to September 30, 2004. Quarterly reports are current through September 30, 2003. Quarterly submissions, which include the actual status report, the Brownfields inventory, MBE/WBE Utilization (EPA Form 5700-52A) and Financial Status Report (SF 299A), are forwarded to the EPA Region 6 office and copied to the Brownfields Data Manager in Washington, D.C. In addition, quarterly submissions also include a Request for Advance or Reimbursement (SF 270) based on expenditures, if any, in the reporting period. The City is current on the requirements for the Quality Management Plan (QMP). The current plan (Q-TRAK #03-116) is good through January 15, 2004. The annual Quality Assurance review will occur in December 2004 and any necessary revisions will be submitted in order to receive timely approval for a continuing QMP. During FY 02-03, the City's Brownfields Program received a QA Management Systems Review and there were no adverse findings or corrective actions required.

4. If you are a current recipient of an EPA Brownfields cooperative agreement(s), indicate the year of award and the amount of funds remaining.

EPA Assistance Number BP 98644-3-03, in the original amount of \$200,000, had a remaining balance of \$151,351 as of September 30, 2003. At this time, there are two pending projects. The Acuna project is at the Quality Assurance Project Plan (QAPP) review stage. Once the QAPP is approved, the assessment work will begin. Costs for this assessment will be \$34,042. The Historic Gardens – Unit 3 project is being presented to City Council for approval on December 18, 2003. Upon approval, work on the QAPP will begin. Costs for this project are expected to be \$23,040. After these projects are completed, the remaining balance will be \$94,269. We are working diligently to identify additional site assessment projects in order to utilize the funding during the current fiscal year.

5. If you are a current recipient of an EPA Brownfields cooperative agreement(s), highlight significant accomplishments generated through the use of the funds.

The Brownfield Site Assessment Demonstration Pilot Grant has empowered the City and community stakeholders to work together to promote a unified approach to site assessment, cleanup, and redevelopment. Assessments have been completed for six properties. These include three properties at located Commerce and Spriggsdale Streets and one on Hackberry Street. The Commerce/Spriggsdale project sites are being assembled by one property owner and are intended for retail/residential mixed-use redevelopment pending acquisition of funding by the developer. For the Hackberry Street project, the redevelopment plan proposes to fill a critical need in the community for office/service mixed-use space. Other completed assessments include the Friedrich Building and Historic Gardens Unit 2. The Friedrich Building project included the assessment of a 450,000 air conditioning manufacturing facility that will be redeveloped as mixed use residential and office space. The City obtained at \$1.5 million Brownfields Economic Development Initiative grant from the U.S. Department of Housing and Urban Development to assist this project. The sixth project, Historic Gardens- Unit Two, is now the site of twenty-four new single-family residences complete with new streets, utility infrastructure and common area amenities including a playground. In addition, the City facilitated, on behalf of the Northeast Independent School District, the procurement of Targeted Brownfields Assistance through the Texas Commission on Environmental Quality. The project included an environmental site assessment of Montgomery Ward's store and automotive service center that the school district had considered purchasing in order to establish a magnet school.